

Exhibit K

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

IN RE: OIL SPILL) MDL NO. 2179
by the OIL RIG)
"DEEPWATER HORIZON" in) SECTION "J"
the GULF OF MEXICO, ON)
APRIL 20, 2010) JUDGE BARBIER
)
) MAG. JUDGE
) SHUSHAN

VOLUME 1 OF 1

Deposition of ELLIS ARMSTRONG, as the
30(b)(6) representative of BP, taken at
Pan American Life Center, 601 Poydras
Street, Room Bayou 4, New Orleans,
Louisiana, on the 13th of July, 2011.

PURSUANT TO CONFIDENTIALITY ORDER

1 their -- beyond knowing that we were the
2 operator, I'm not sure what the precise
3 nature of the -- the legal obligations
4 were after that fact or, indeed, have they
5 sort of relayed the contractual
6 relationship between BP and its partners'
7 and its contractors' work. That's not in
8 my area of expertise.

9 MS. McCULLEY: Okay. Thank
10 you, sir.

11 THE WITNESS: Thank you.

12 THE VIDEOGRAPHER: Off the
13 record at 4:53 p.m.

14 (Recess 4:53-4:54 p.m.)

15 THE VIDEOGRAPHER: Back on the
16 record at 4:54 p.m.

17 EXAMINATION

18 BY MR. BLANKENSHIP:

19 Q. Mr. Armstrong, I just introduced
20 myself to you. My name is Robert
21 Blankenship, and I represent Transocean in
22 this matter. I just -- honestly, just one
23 question for you.

24 You've referenced several
25 times today -- and correct me if I'm

1 mischaracterizing your -- your
2 testimony -- but when talking about OMS
3 and whether it applies to MODUs, you
4 stated that part -- there's a part of OMS
5 that looks to the contractors' safety
6 management system and whether it
7 applies -- whether it falls within OMS or
8 whether it doesn't.

9 My question is simply, what
10 part of OMS is that? Where can I find
11 that part?

12 A. I -- I think if you look in the --
13 in the -- I don't have the OMS
14 documentation --

15 Q. And I apologize for not --

16 A. -- but you can go through the --
17 we can provide -- we can provide you with
18 the sort of OMS documentation that would
19 say, here's the scope, here's how it
20 applies to company-owned and operated
21 operations, here's how it applies to joint
22 ventures and here's how it applies to
23 contractors.

24 Q. Is that the bridging document or
25 is it really --

1 A. No, I think this is --

2 Q. -- specific?

3 A. This is in OMS itself.

4 Q. It's not the local Gulf of Mexico
5 OMS; this is the broader --

6 A. This is in the sort of core
7 description of OMS, there's some language
8 that describes that. I -- I don't know
9 how it was applied to the Macondo, but
10 there is a provision inside of OMS that
11 says broadly what I've said, and I may
12 have got the words not precisely right,
13 but the intent is that we would look at
14 their management -- the management systems
15 of the contractor and, you know, seek to
16 match them to -- you know, check those to
17 see if they're consistent with OMS.

18 Q. I understand that. And I had kind
19 of understood that -- that principle
20 through the bridging document. I'd never
21 heard of it actually referenced in a
22 specific part of OMS, and I didn't know if
23 you knew offhand it's -- I can go and find
24 it and look for it on my own. I just
25 want --

1 A. I don't know -- I don't know
2 what -- we can -- to save you the trouble,
3 we can -- I'm sure that we can sort of
4 send you exactly where to look.

5 Q. That -- that's a part of my job.
6 And I apologize, I only had five minutes
7 and I'm not going to make you look through
8 that to figure that out.

9 MR. BLANKENSHIP: I appreciate
10 your time.

11 THE WITNESS: Okay. Thank
12 you.

13 THE VIDEOGRAPHER: Off the
14 record, 4:57.

15 (Recess 4:57-5:06 p.m.)

16 THE VIDEOGRAPHER: Back on the
17 record at 5:06 p.m.

18 EXAMINATION

19 BY MR. FOWKES:

20 Q. Good afternoon -- or I suppose
21 it's almost evening now, Mr. Armstrong.
22 I'm Scott Fowkes representing BP. We've
23 met before, haven't we?

24 A. We have.

25 Q. Okay. Let me ask you some

1 MR. BRODY: Objection, form.

2 A. They're a key part of the design
3 of the process, so gaps are to be
4 expected. And you put in place plans to
5 close the gaps as part of the performance
6 improvement cycle.

7 (Exhibit Number 3894 marked.)

8 Q. (BY MR. FOWKES) Okay. Let me
9 hand you what's been marked as Exhibit
10 3894, please.

11 Just take a minute and let
12 you -- I'm not asking you to read the
13 whole thing, but take a -- take a look at
14 it until you're sufficiently familiar with
15 it to be able to identify it for us,
16 please, then I'll direct to you a specific
17 page.

18 A. Yeah, I'm -- I'm familiar with it.

19 Q. Okay. What is Exhibit 3894?

20 A. This is part of the operating
21 management system framework. It's part 4,
22 entitled OMS Governance and
23 Implementation.

24 Q. And does Exhibit 3894 discuss
25 where and when OMS is applicable?

1 A. It does.

2 Q. And I'll direct you to page 14 out
3 of 16, which ends with Bates number 151.

4 A. Aha. Very good.

5 Q. All right.

6 A. Yep.

7 Q. When counsel for Transocean was
8 asking you some questions a minute ago
9 about your understanding of the
10 applicability of the OMS to contractor
11 operations, was this the document you were
12 referring to?

13 A. This is the document I was
14 referring to.

15 Q. Okay. And were you specifically
16 referring to any particular paragraph or
17 section here?

18 A. Yeah. I said that inside of
19 OMS -- and I've -- I've now got the words
20 in front of me that I was trying to
21 remember -- it's --

22 Q. Could you tell us where you're
23 reading from?

24 A. I'm reading on page 14 of 16 where
25 it says, OMS applicability -- this is --

1 appendix 7, OMS applicability. This
2 section defines the applicability of OMS.

3 There's a subsection which
4 says, wholly owned and operated. OMS
5 shall apply to each project, operation,
6 et cetera, that is wholly owned and
7 operated by BP. Where this is not the
8 case -- where this is not the case, the
9 following applies.

10 And then there are categories
11 for exceptions to that. One is --

12 Q. Okay. To one of -- is one of the
13 categories joint ventures?

14 A. One of the categories is joint
15 ventures, non-BP-operated.

16 Q. Okay.

17 A. And the other is contractors.

18 Q. All right.

19 A. So as I was saying --

20 Q. Let's read -- could you read the
21 section for us about contractors, and then
22 after you'd read it, maybe you could --

23 A. I can.

24 Q. -- explain it.

25 A. So for Contractors it says, where

1 BP relies on a contractor to carry out
2 work, BP shall, as needed, include and
3 apply contract provisions such that the
4 work is carried out in a way that supports
5 and is consistent with BP's application of
6 OMS to BP's operating activities. Where
7 such contract provisions are not included
8 in an existing contract, BP shall endeavor
9 to amend the contract as needed,
10 immediately or on renewal.

11 So that's -- the intent of
12 that was that there are operations that
13 others do for us, and we don't apply OMS
14 directly to it. We take -- we look at the
15 clauses in the contract and see that
16 they've got management systems that are
17 consistent with our OMS.

18 Q. And within OMS itself, are there
19 other provisions that discuss how BP
20 should go about hiring and -- and
21 monitoring and supervising its contractor
22 operations?

23 A. There are, and they speak --

24 MR. CHAKERES: Objection to
25 form.

1 A. -- they speak to contractor safety
2 performance and -- and all that stuff.

3 (Exhibit Number 3895 marked.)

4 Q. (BY MR. FOWKES) Let me hand you
5 what's been marked as 3895, Mr. Armstrong,
6 and ask you if Exhibit 3895 -- and
7 specifically I'm referring to page 2, the
8 second page of the document -- does that
9 generally describe how integrity
10 management and the six-point plan and OMS
11 were implemented over time in the Gulf of
12 Mexico?

13 A. It does. This -- this chart
14 describes what I was saying in words a
15 moment ago, which is that the Gulf of
16 Mexico set up a team to implement the
17 integrity management standard, which was
18 led by Tom Gray.

19 That evolved into the
20 six-point plan, and we -- we built on the
21 experience and the -- experience of the
22 team to implement the six-point plan.

23 And then the six-point plan
24 evolved into a comprehensive and complete
25 management system, OMS, in line with the

1 _____, 2011;

2 That the amount of time used by each
3 party at the deposition is as follows:

4 Mr. Watts - 4 hours, 37 minutes

5 Mr. Chakeres - 0 hours, 15 minutes

6 Mr. Godwin - 0 hours, 28 minutes

7 Mr. Brody - 0 hours, 24 minutes

8 Ms. McCulley - 0 hours, 5 minutes

9 Mr. Blankenship - 0 hours, 3

10 minutes

11 Mr. Fowkes - 0 hours, 54 minutes

12 I further certify that I am neither
13 counsel for, related to, nor employed by
14 any of the parties or attorneys in the
15 action in which this proceeding was taken,
16 and further that I am not financially or
17 otherwise interested in the outcome of the
18 action.

19 Subscribed and sworn to by me this
20 14th day of July, 2011.

21 *Therese J. Casterline*
22 _____



23 Therese J. Casterline, CSR, RMR, CRR
24 Texas CSR 5001, Expires 12-31-11
Louisiana CSR 25014, Expires 12-31-11
25 WORLDWIDE COURT REPORTERS
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Houston, Texas 77027